

Town of East Hartford
Tax Collection Policy, including Delinquent Accounts
Updated as of March 28, 2012

The Tax Collection Policy: The tax collection policy on all accounts (Real Estate, Personal Property, and Motor Vehicles) includes a legal notice published by the Collector in June noticing the community of taxes due for a grand list year and is followed closely by the issuance of a tax bill. A second legal notice is published by the Collector in December noticing the community of taxes due related to the second installment for a grand list year.

For real estate tax collections, in instances where the two actions detailed above did not result in full payment to the town, the Collector will issue a delinquent notice to the property owner in the fall. Should full payment not be secured through the Collector's delinquent notice, the Collector will then send a demand notice to the property owner in the spring. If amounts remain due, the Collector will send a notice of intention to lien to each property owner. Finally, all delinquent accounts are liened annually by the Collector with the Town Clerk by grand list year.

For motor vehicle tax collections, in instances where the two actions detailed above did not result in full payment to the town, the Collector will issue a demand notice closely followed by the issuance of an alias tax warrant. This process will be repeated semi-annually for up to 15 years. During this time, the Collector, through the tax collection system, will place a flag on all delinquent motor vehicle accounts, and on a quarterly basis, this file will be downloaded to MVD. As a result of this flag, MVD registrations will not be renewed by until the town is paid all delinquent taxes due.

For personal property taxes, in instances where the two actions detailed above did not result in full payment to the town, the Collector will issue a demand notice.

The Delinquent Tax Collection Policy: Enforcement action could include strict foreclosure, foreclosure by sale, a tax lien sale, a rent receivership, or a payment plan. Any payment plan must extinguish the outstanding tax debt and interest within 3 years.

Permits – Building and Health

The Town of East Hartford will not issue building or health permits where delinquent taxes are due to the town. However, in certain instances, the town will issue a building permit to a property where taxes are delinquent when the withholding of the permit would jeopardize the safety of the occupants of the building or the integrity of the structure.

The Town will also issue building and health permits if the owner of a property with delinquent taxes establishes and maintains a payment plan to include at least a 25% down payment of delinquent taxes due, has no other property code violations, makes timely monthly payments, and remits the July and January installments of newly levied taxes timely.

Real Estate

Commercial Properties: Enforcement action will commence when outstanding taxes on an account (properties owned individually or collectively by one owner) exceed \$10,000, or outstanding taxes are owed wholly or in part from three different grand list years.

Residential Properties: Enforcement action will commence when outstanding taxes on an account (properties owned individually or collectively by one owner) exceed \$10,000, or outstanding taxes are owed wholly or in part from three different grand list years.

Personal Property

Enforcement action will commence when outstanding taxes on an account exceed \$5,000.

Mobile Homes: Enforcement action will commence when outstanding taxes on an account (properties owned individually or collectively by one owner) exceed \$3,000, or outstanding taxes are owed wholly or in part from three different grand list years.

Additional Discussion:

When a mobile homeowner fails to pay the land rent or maintenance costs, an owner of a mobile home park may evict that tenant. To do so, they must follow both the general summary process rules (47a-42) AND some of the rules with respect to mobile homes (21-80). Unfortunately, these statutes set up two unique summary process procedures. 47a-42 contains the traditional eviction procedures where a tenant is evicted and his/her belongings brought to the curb for the Town to pick up and auction. 21-80 provides an alternative eviction method which involves the sale of the mobile home by the mobile home park owner.

Owners of mobile home parks have tried to force the Town to remove mobile homes (at the Town's) expense after an eviction. They have made an argument that under 47a-42, the mobile home is like personal property. So, just like the Town has to remove and store the TV and stereo that are put to the side of a curb, so too do we have to remove and store the trailer. In conversations with counsel for similarly situated municipalities (i.e. municipalities with large mobile home parks) we understand that the position of mobile home park owners (that the Town must remove the trailer) has some judicial support (although there have been no reported decisions). It appears that these courts have considered the foreclosure provisions of 21-80 as an alternative method that is at the option of the mobile home park owner, not the Town. Accordingly, it appears that other Towns have been forced to remove, store and sell a mobile home after the eviction of a tenant.

With respect to taxes, the town loses under both scenarios. Evictions normally happen when mobile homes are worthless. So, regardless of the methods employed in getting rid of the mobile home, overdue taxes are rarely paid off. The Town has a double loss however, when it is forced to bear the expense of the removal and sale of the mobile home (i.e. summary process under 47a-42).

The decision by a mobile home park owner to proceed under 47a-42 (summary process) or 21-80 (a "foreclosure" type sale by the owner) will be driven by the value of the mobile home. If the owner determines that he can pay expenses of sale and taxes and make a profit on the sale of the mobile home, he will do so. If not, he will work under 47a-42 and demand that the Town pick up the mobile home. If it appears that the Town may be facing a large number of situations in which it may bear the expense of removing and selling mobile homes (\$1,000-2,000) the Town should consider negotiating with mobile home park owners to conduct the sale on site and see if the owner may be willing to bid on the mobile home or somehow bear/share the expense of the removal of the trailer and its destruction if there are no bidders at the sale.